City of Sherwood Oregon

Home of the Tualatin River National Wildlife Refuge

URBAN RENEWAL AGENCY MEETING PACKET

FOR

Tuesday, January 17, 2012

Sherwood City Hall
22560 SW Pine Street
Sherwood, Oregon

URA Board of Directors Meeting
(Following the City Council Meeting)

SHERWOOD URBAN RENEWAL AGENCY BOARD OF DIRECTORS
MEETING AGENDA

Tuesday, January 17, 2012
Following the City Council Meeting

City of Sherwood City Hall
22560 SW Pine Street
Sherwood, Oregon

REGULAR URA MEETING

1. **CALL TO ORDER**

2. **ROLL CALL**

3. **CONSENT**

   A. **Approval of November 1, 2011 URA Board of Directors Meeting Minutes**

4. **NEW BUSINESS**

   A. **URA Resolution 2012-001 Recommending a substantial amendment to the Urban Renewal Plan to Increase Maximum Indebtedness** (Tom Nelson, Economic Development Manager)

5. **STAFF REPORTS**

6. **ADJOURN**

SHERWOOD URBAN RENEWAL AGENCY BOARD OF DIRECTORS
MEETING MINUTES
November 1, 2011
22560 SW Pine Street, Sherwood Oregon 97140

URA BOARD REGULAR MEETING

1. **CALL TO ORDER:** Chair Keith Mays called the meeting to order at 7:36 pm.

2. **URA BOARD PRESENT:** Chair Keith Mays, Dave Grant, Linda Henderson, Matt Langer, Bill Butterfield and Krisanna Clark. Robyn Folsom was absent.

3. **STAFF AND LEGAL COUNSEL PRESENT:** City Manager Pro Tem Tom Pessemier, Finance Director Craig Gibons, Public Works Director Craig Sheldon, Economic Development Manager Tom Nelson, Police Chief Jeff Groth, Administrative Assistant Kirsten Allen and City Recorder Sylvia Murphy. City Attorney Chris Crean.

   Chair Mays addressed the Consent Agenda and asked for a motion.

4. **CONSENT AGENDA:**

   A. Approval of October 4, 2011 URA Board of Directors Meeting Minutes

   MOTION: FROM LINDA HENDERSON TO APPROVE THE CONSENT AGENDA, SECONDED BY BILL BUTTERFIELD. ALL PRESENT BOARD MEMBERS VOTED IN FAVOR (ROBYN FOLSOM WAS ABSENT).

   Chair Mays addressed the next agenda item.

5. **NEW BUSINESS**

   A. URA Resolution 2011-019 of the Sherwood Urban Renewal Agency approving a minor amendment to the Sherwood Urban Renewal Plan, dated August 29, 2000, to allow for the acquisition of additional property

   Tom Nelson, Economic Development Manager came forward and informed the Board that it has been brought to our attention that the property lease for the property on Railroad known as the gravel lot, had expired in 2002 and we no longer have a lease. Tom stated he thought this may have occurred when there was a change from Southern Pacific to Union Pacific.

   Tom stated the space is needed for improved parking for the Community Center and said staff has been in negotiations with the Railroad and said their leasing practices are different now in comparison to prior years. Tom informed the Board the lease was approximately $100 per year and today it's about 10% of the purchase price per year, at approximately $20,000 per year.

Tom stated the Railroad has indicated they are willing to sell the property and said this would be the best avenue for us and the purchase would be for an appraised value. Tom stated staff would like to move forward and receive approval for the property purchase at the appraised value.

Tom informed the Board the first step would be to do a minor amendment to the Plan to purchase property for public use. Tom reminded the Board that in the past, the City Council had to also pass an amendment to purchase property, but this was for property that would not necessarily be for public use. Tom stated the Board needs to take this action first and then authorize the Urban Renewal Agency Administrator to negotiate the purchase of the property.

Chair Mays asked if this would then come back to the Board for approval. Tom replied the Board would grant the authority this evening with the next resolution on the agenda.

Chair Mays stated it was unfortunate the lease expired and the railroad didn't want to continue the terms and said it was on the radar to secure the property for the community and old town, primarily for parking. He said if we are able to acquire the property we would be able to improve it and have functional space.

Mr. Grant asked if the City was continually paying on a month to month basis until today. Tom replied no, the City has not paid since 2002 and said we have not received a bill.

Mr. Grant asked if we had planned on improving the space for the cannery development. Tom replied this is how it was brought to our attention that the lease had expired, was when we notified them we were going to make improvements to the property.

Ms. Henderson asked about the appraised value and why the Board was not discussing this and asked if staff would be coming back to the Board for approval of a purchase price.

Tom replied we have not had it appraised yet and his plan was to seek authorization of purchase based on the appraised value as this is very timely with the Community Center project.

With no other Board questions, Chair Mays asked for a motion.

MOTION: FROM DAVE GRANT TO ADOPT URA RESOLUTION 2011-019, SECONDED BY BILL BUTTERFIELD. ALL PRESENT BOARD MEMBERS VOTED IN FAVOR (ROBYN FOLSOM WAS ABSENT).

Chair Mays addressed the next agenda item.

B. URA Resolution 2011-020 of the Urban Renewal Agency of the City of Sherwood for purchase of real property

Tom Nelson, Economic Development Manager explained this resolution would authorize the URA Administrator to negotiate the price and purchase the property. Tom referenced

language in the resolution, "*the owner has agreed to sell the property at the appraised value subject to URA Board approval".*

Mr. Butterfield asked who the negotiator would be, Tom indicated Tom Pessemier would be the negotiator as the Urban Renewal Agency Administrator.

Ms. Henderson asked if we would be getting only one appraisal. Tom confirmed this is what is usually done.

Tom Pessemier informed the Board that typically the Railroad has their owner appraiser and staff would be looking at an independent appraisal as well and if there was a major discrepancy in the appraisal reports, he would bring the information back to the URA Board for consideration. Tom P. stated staff doesn't anticipate this as staff has worked with the Railroad in the past and is familiar with them.

Tom Nelson informed the Board that the Railroad has informed staff the appraised value is roughly $15.50 a square foot and this was comparable to other properties in the area, this equates to $270,000 for 17,000 square feet.

Ms. Henderson asked if there was a plan on the books on how the pavement would be utilized as a parking structure. Tom Nelson replied it would be public parking.

With no other Board questions, the following motion was received.

MOTION: FROM LINDA HENDERSON TO ADOPT URA RESOLUTION 2011-020, SECONDED BY KRISANNA CLARK. ALL PRESENT BOARD MEMBERS VOTED IN FAVOR (ROBYN FOLSOM WAS ABSENT).

Chair Mays addressed the next agenda item.

C. URA Resolution 2011-021 approving an amendment to the Intergovernmental Agreement for the provisions of support services between the City of Sherwood and the Sherwood Urban Renewal Agency

Chair Mays stated the City Council considered a similar resolution this evening.

Tom Nelson, Economic Development Manager confirmed and stated this is just the Urban Renewal Agency's approval of the amendment.

Chair Mays asked for questions from the Board, with none heard, the following motion was received.

MOTION: FROM LINDA HENDERSON TO ADOPT URA RESOLUTION 2011-021, SECONDED BY BILL BUTTERFIELD. ALL PRESENT BOARD MEMBERS VOTED IN FAVOR (ROBYN FOLSOM WAS ABSENT).

Chair Mays addressed the next agenda item.

D. URA Resolution 2011-022 authorizing a Personal Services Contract with Elaine Howard Consulting, LLC for the purpose of preparing for a substantial amendment to the Urban Renewal Plan to increase maximum indebtedness

Tom Nelson, Economic Development Manager came forward and informed the Board that he had received notification from Tashman Johnson that due to personal reasons he needed to cancel his contract and not accept any payment and pass the work onto another consultant.

Chair Mays stated the Urban Renewal Agency wasn't out any money due to the cancellation of the contract and Tom Nelson confirmed and said the work that we thought would be done last month has not been completed.

Tom informed the Board that Elaine Howard LLC is very well known in the consulting community for urban renewal and is a member of AORA (Association of Oregon Redevelopment Agencies) and said staff is recommending approval of the contract.

Chair Mays asked for questions from the Board.

Mr. Butterfield confirmed that Ms. Howard was recommended and asked if staff had looked at other consultants. Tom confirmed Elaine Howard was recommended and said there are limited consultants in the state that do urban renewal type of work and said she is in a network of other consultants and Ms. Howard may sub work out as well.

Mr. Butterfield asked what the fee was for Ms. Howard in comparison to Tashman Johnson. Tom replied her fee is $20,000 and believes Tashman Johnson was $17,700 and said Mr. Tashman had not addressed legal counsel in reviewing the work and Ms. Howard works with a professional that does a lot of urban renewal work.

Ms. Henderson asked if the scope of work was the same and if an RFP was issued.

Tom confirmed the scope of work was the same and replied an RFP was not issued.

Ms. Henderson asked if we had issued an RFP would Ms. Howard have likely bid on it and asked if Ms. Howard is local. Tom replied yes and confirmed she is a local consultant.

With no other Board questions received the following motion was made.

MOTION: FROM DAVE GRANT TO ADOPT URA RESOLUTION 2011-022, SECONDED BY LINDA HENDERSON. ALL PRESENT BOARD MEMBERS VOTED IN FAVOR (ROBYN FOLSOM WAS ABSENT).

Chair Mays addressed the next agenda item.

6. STAFF REPORTS:

Ms. Henderson asked Tom Nelson to provide an update on the Cannery Square.

Tom Nelson replied the plaza is scheduled to open on December 3rd for the Tree Lighting Ceremony and said they held a progress report meeting today and the contractors are being pressed and they believe they will have substantial completion by November 23rd.

Tom stated one issue came up with three plaza streetlights being on backorder and due to the contractor's agreement to have it completed by November 23rd, the contractor will be installing three other streetlights and will replace them in January. Tom stated the different lights aren't very noticeable as they are 4 inches in diameter verses 5 inches.

7. ADJOURN: Chair Mays adjourned the URA Board meeting at 7:50 pm.

Sylvia Murphy, CMC, District Recorder

Keith S. Mays, Chair

URA Meeting Date: January 17, 2012

Agenda Item: New Business

TO: Sherwood Urban Renewal Agency Board

FROM: Tom Nelson, Economic Development Manager

SUBJECT: URA RESOLUTION 2012-001 RECOMMENDING A SUBSTANTIAL AMENDMENT TO THE URBAN RENEWAL PLAN TO INCREASE MAXIMUM INDEBTEDNESS

Issue
Should the URA adopt a Resolution recommending a substantial amendment to increase maximum indebtedness?

Background
The URA approved URA Resolution 2011-022 on November 1, 2011 to authorize a contract with Elaine Howard Consulting, LLC to prepare for a substantial amendment to the URA Plan to increase maximum indebtedness.

Other Factors:

- An increase in Maximum Indebtedness is needed to complete priority projects in the Urban Renewal Plan;
- An increase in Maximum Indebtedness requires a substantial amendment to the Urban Renewal Plan.
- SURPAC has recommended the substantial amendment to increase Maximum Indebtedness.
- The attached letter (Exhibit A) outlines the necessary process to approve a substantial amendment. The URA Plan Amendment (Exhibit B) and Report (Exhibit C) are also attached as supporting documents.
- A recommendation from the URA to the City Council is a necessary step in the amendment process.

Recommendation: Approval of the attached resolution to recommend to the Sherwood City Council a substantial amendment to the Urban Renewal Plan to increase Maximum Indebtedness.

Exhibit A

To: Sherwood Urban Renewal Agency From: Tom Nelson, Economic Development Manager Re: Substantial Amendment, Amendment No. 15 Date: January 17, 2012	City of Sherwood Oregon Home of the Tualatin River National Wildlife Refuge

I. PURPOSE

This is a Sherwood Urban Renewal Plan Amendment (Amendment) to the Urban Renewal Plan (Plan) to increase the financial capacity of the Plan (maximum indebtedness[1]). Because it is increasing the maximum indebtedness, it is termed a substantial amendment. The Amendment also makes changes to sections of the Plan to update it to be in conformance with present statutory provisions, comprehensive plan and zoning changes and urban renewal best practices. The Sherwood Urban Renewal Agency (Agency) is being asked to forward the Amendment to the Sherwood Planning Commission for their review for conformance with the Sherwood Comprehensive Plan and to the Sherwood City Council and recommend that the City Council adopt the Amendment.

II. BACKGROUND

The Sherwood Urban Renewal Plan was adopted on August 29, 2000 and has been amended fourteen times. The present amendment will increase the maximum indebtedness by $9,785,869 from $35,347,600 to $45,133,469. The increase in maximum indebtedness is for the addition of projects to the plan which will improve the transportation systems, both street and trail, within the Area. It will also add to the capacity to provide additional revenues to existing projects within the Plan as identified in Table 12 in the Report to the Fifteenth Amendment.

The URA has accomplished a significant amount of work since its inception in August/2000. The following table accounts for Maximum Indebtedness to date:

[1] Maximum indebtedness is the limit on an urban renewal plan for how much can be spent on projects and programs throughout the life of the plan. In accordance with state law, every urban renewal district has a maximum indebtedness

Table 1 – Sherwood Urban Renewal Projects August/2000 to date

URA Projects	Expenditure
Sherwood City Hall	$ 9,197,507
Downtown Streets Phase I	8,225,079
Cannery Project (Partially Completed)	9,020,043
Oregon Street/Langer Farms Pky. Intersection	1,000,000
Sherwood Forest Senior Affordable Housing Project	365,038
Old School Property	619,627
SW 1st Street Properties	264,000
Robin Hood Properties	250,000
SW Main Street Property (WQ Facility)	240,585
Sherwood School Fields and Grandstands	380,000
Façade Grants	181,071
Administration (August/2000 to date)	2,186,214
Total	**$ 31,929,164**

Included in the projects to date are purchases of blighted properties that will eventually be either publically or privately developed, restoring revenue to the URA which can either be spent on qualified URA projects or to defease debt. The plan's initial Maximum Indebtedness is $35,347,600 which leaves a balance of $3,418,436. Most of this remainder will be needed to complete the Cannery Project.

The projects which are being added to the Plan are mainly infrastructure projects to improve the transportation network within the Sherwood Urban Renewal Area (Area), allowing for the development of underutilized parcels in the Area. Of primary significance are the first two projects. The Downtown Streets Phase II project is needed to complete the redevelopment of Old Town Sherwood. The Oregon Street Improvement Project will complete redevelopment of a primary entrance to Sherwood and a connector to the planned Tonquin Industrial Area. Other projects receiving additional funding are ongoing improvement projects within the Area, such as façade grants and sidewalk improvements. The future projected projects are identified in Table 2, below.

Table 2 – Projected Future Projects for Sherwood Urban Renewal Area

Project	Estimated Cost
Infrastructure	
Downtown Streetscapes Phase 2	$2,950,000
Oregon Street Improvements	3,290,000
Lincoln Street Improvements - Willamette to Division Street	734,000
Century Drive Extension	500,000
Cedar Creek Trail	$200,000 - 300,000
Sub-Total Infrastructure	$7,674,000 - 7,774,000
Property Acquisition	$500,000
Façade Grants	200,000
Main Street Program	100,000
Parking Study	50,000
Alley Improvements in Old Town	500,000
Sidewalk Improvements in Old Town	100,000
URA Administration	1,200,000
Traffic Re-routing Study and Plans for Old Town	175,000
Redevelopment of Public Land into Parking Lots	371,000
Sub-total Other Projects	$3,196,000
Total	$10,870,000 - 10,970,000

One of the changes made by the 2009 Oregon legislature was instituting revenue sharing with impacted taxing jurisdictions. This revenue sharing clause is applied to existing urban renewal plans when actions are taken that result in an increase in the maximum indebtedness of these existing plans. Revenue sharing is instituted at certain specified trigger points as specific in ORS 457.470.

The financial projections, completed by ECONorthwest, estimate that the Sherwood Urban Renewal Area (Area) will begin revenue sharing in FY 2014 when the Area is projected to meet the 10 percent of initial maximum indebtedness trigger stated in the statutes (10% of $35,347,600 is $3,534,760). At that 10 percent limit, the affected taxing jurisdictions will begin receiving a portion of the increased tax revenue as a result of the projected increased assessed value within the Area. This is a positive benefit to the taxing jurisdictions, as they will not receive this revenue sharing without the Amendment.

The Area is projected to meet the 12.5 percent of the initial maximum indebtedness trigger in FY 2016, at which time the tax increment revenues to the Agency from the Area are held stable at that number, $4,418,450, and the impacted taxing jurisdictions

receive a proportionate share of the increase in tax increment revenues for the remaining life of the district. These revenue sharing requirements only minimally impact the length of time the district will be in operation. An analysis of the tax increment revenues without revenue sharing indicates the Area would be able to defease the debt one year later with revenue sharing as without. These impacts are shown in tables 17 and 18 of the attached Report.

III. AMENDMENTS TO URBAN RENEWAL PLAN

The Amendment is considered to be a substantial amendment that requires the same procedure for adoption as a new urban renewal plan. The Amendment would increase the maximum indebtedness and add projects to the Plan. Substantial amendments are required to be adopted in the same manner as the adoption of an urban renewal plan, requiring approval of the Sherwood Urban Renewal Agency, notice to the taxing jurisdictions, review by the Sherwood Planning Commission, notice to the citizens of Sherwood and a Sherwood City Council hearing.

There are also other changes to the Plan to bring it up to date with current best practices. The significant changes in the Plan are:

- Updating Section 100 The Urban Renewal Plan to list all previous amendments.
- Updating Section 200 Citizen Participation to add information about Citizen Participation in this Amendment.
- Updating Section 400 Land Use to bring it in conformance with present zoning and comprehensive plan designations.
- Adding projects to Section 500 Description of Projects to be Undertaken, sub section 504 Public Improvements.
- Updating Section 700 Amendments to the Urban Renewal Plan to bring it into conformance with State Statutes.
- Increasing the Maximum Indebtedness in Section 800 Maximum Indebtedness.
- Updating the Plan's Attachment B – Comprehensive Plan Goals and Objectives to bring it up to date with the City's Comprehensive Plan.
- Adding funding to projects within the Plan as shown in Table12 in the Report to the Fifteenth Amendment. (Projects are identified in the table above)

The Amendment is shown in Attachment 1.

An updated Report (Attachment 2) accompanies the Amendment. It follows the requirements of ORS 457and analyzes, among other things, the continued existence of blight in the Area and the financial feasibility of increasing the maximum indebtedness.

IV. PROCESS FOR AMENDMENT

The process of adopting a substantial amendment to the Urban Renewal Plan consists of the following steps:

- Preparation of an Amendment, including the opportunity for citizen involvement.
- Forwarding a copy of the Amendment and the Report to the governing body of each taxing district. (The taxing districts letters were sent out on January 6, 2011.)
- Urban Renewal Agency review of the Amendment and accompanying Report and recommendation to forward the Amendment to City Council for adoption. (January 17, 2012)
- Review and recommendation by the Planning Commission. (The Sherwood Planning Commission review is scheduled for January 24, 2012.)
- Notice to all citizens of Sherwood of a hearing before the City Council. (Notice will be provided by an article in the February 2012 edition of the Sherwood Archer, which reaches all postal patrons as specified in ORS 457.120.)
- Hearing by City Council and adoption of the Amendment and accompanying Report by a non-emergency ordinance. The hearing and date set for vote by City Council is scheduled for February 21, 2012. The ordinance must be a non-emergency ordinance, which means that the ordinance does not take effect until 30 days after its approval and during that period of time may be referred to Sherwood voters if a sufficient number of signatures are obtained on a referral petition.
- Presentation to the Washington County Commission on January 24, 2012.

V. STAFF RECOMMENDATION

Staff recommends that the Sherwood Urban Renewal Agency forward the Urban Renewal Plan Amendment and Report on the Urban Renewal Plan Amendment to the Sherwood City Council and recommend approval of the Amendment.

Attachments:

A. Sherwood Urban Renewal Plan Amendment No. 15
B. Report on the Sherwood Urban Renewal Plan Amendment No. 15

Sherwood Substantial Amendment 2011 Amendment No. 15 **Exhibit B**

The following amendments are made to the Sherwood Urban Renewal Plan. Additions are in italics and deletions are shown in ~~cross-out.~~

Section 100. The Urban Renewal Plan
The following amendments have been made to the Sherwood Urban Renewal Plan.

Amendment 1: Resolution No. 2003-002 February 11, 2003

1) inserting properties proposed to be acquired,

(2) inserting a section providing information on the benefit to the renewal area provided by public buildings

(3) inserting a corrected boundary map to rectify an error in the map attached to the plan adopted by Council Ordinance 2000-1098

(4) revising the description of project activities to clarify the Agency's intent to participate in funding a multi-use public facility

(5) revising the definition of substantial amendments to the plan to be consistent with ORS 457.085(i).

Amendment 2: Resolution No. 2004-004 March 23, 2004

(1) revising the Cost of Project Activities Table to more accurately reflect the Agency's estimate of the cost of the projects

(2) revising the Agency's Performing Arts Goal to reflect a wider range of activities

(3) revising the Agency's Promote Private Development goal to include an objective relative to Tournament Town Northwest

(4) more accurately reflect the current view of the description of project activities to clarify the Agency's intent to participate in funding an indoor soccer facility

(5) that the new activity, addition of a public soccer facility, is consistent with Plan Objectives A and F.

Amendment 3: Resolution No. 2004-11 June 8, 2004

(1) inserting properties proposed to be acquired in Section 503, Item C. Tax Map 2S132BD TL 800 Corner of Washington and Railroad

Amendment 4: Resolution No. 2005-005 May 17, 2005

(1) amends boundary to include Sherwood High School Field

Amendment 5: Resolution No. 2008-001 February 19, 2008

(1) inserting properties proposed to be acquired in Section 503, Item C. (Old Cannery Site)

Amendment 6: Resolution No. 2008-005 March 18, 2008

(1) inserting properties proposed to be acquired in Section 503, Item C. (Machine Shop, 120 SW Washington Street also known as 22832 SW Washington Street)

Amendment 7: Resolution No. 2008-003 March 18, 2008

(1) inserting properties proposed to be acquired in Section 503, Item C. (Old Schoolhouse, 16023 SW 3rd Street)

Amendment 8: Resolution No. 2008-017 June 17, 2008

(1) amends boundary to include Sherwood High School Stadium

Amendment 9: Resolution No. 2008-019 August 5, 2008

(1) amends boundary to include area at 21305 SW Pacific Highway, 21655 Pacific Highway, and Tax Map 2 S130D001101

Amendment 10: Resolution No. 2008-024 October 7, 2008

(1) inserting properties proposed to be acquired in Section 503, Item C. 15804 SW 1st Street (R554563) and 15824 SW 1st Street (RR554572)

Amendment 11: Resolution No. 2009-011 September 15, 2009

(1) inserting properties proposed to be acquired in Section 503, Item C. 16020 SW 1st Street (R555269 and RR555250)

Amendment 12: Resolution No. 2009-014 November 3, 2009

(1) inserting properties proposed to be acquired in Section 503, Item C. 21949 SW Sherwood Blvd.

Amendment 13: Resolution No. 2011-015 September 20, 2011

(1) inserting properties proposed to be acquired in Section 503, Item C. 22939 SW Main Street

Amendment 14: Resolution No. 2011-019 November 11, 2011

(1) inserting properties proposed to be acquired in Section 503, Item C. Railroad Parking Lot

Amendment 15: Ordinance No.

(1) Updates Section 100 The Urban Renewal Plan
(2) Updates Section 200 Citizen Participation to include Substantial Amendments
(3) Updates Section 300 Relationship to Local Objectives to bring it into present day best practices
(4) Updates Section 400 Proposed Land Uses
(5) Increases maximum indebtedness in Section 800

Section 200. Citizen Participation

A Substantial Amendment was undertaken in 2011. This amendment was adopted in the same process as an original adoption of an urban renewal plan in accordance with ORS 457.085, including the following process:

- *reviewed by the Urban Renewal Agency on January 3, 2012,*
- *forwarded to the Planning Commission for their review at a public meeting on January 24, 2012,*
- *heard before the City Council at a hearing on February 21, 2012 which was noticed to all citizens in Sherwood in accordance with ORS 457.120.*
- *All taxing jurisdictions were consulted and conferred on the amendment through a letter to them on January 6, 2012 which offered to meet with them at their request,*
- *The Agency met with the Washington County Commission on January 24, 2012.*

Section 400. Proposed Land Uses

This Section, starting with the descriptions of the comprehensive Plan and Zoning applying to the Renewal Area, is replaced in its entirety to reflect current language in Title 16- Zoning and Community Development Code.

Residential Zones

The Low Density Residential (LDR) zoning district provides for single-family housing and other related uses with a density of 3.5 to 5 dwelling units per acre. Minor land partitions shall be exempt from the minimum density requirement.

The Medium Density Residential, Low (MDRL) zoning district provides for single-family and two-family housing, manufactured housing and other related uses with a density of 5.6 to 8 dwelling units per acre.

The Medium Density Residential, High (MDRH) district provides for a variety of medium density housing, including single-family, two-family housing, manufactured housing multi-family housing, and other related uses, with a density of 5.5 to 11 dwelling units per acre. Minor land partitions shall be exempt from the minimum density requirement.

The High Density Residential (HDR) zoning district provides for higher density multi-family housing and other related uses with density of 16.8 to 24 dwelling units per acre. Minor land partitions shall be exempt from the minimum density requirement.

Commercial Zones:

The Neighborhood Commercial (NC) zoning district provides for small scale, retail and service uses, located in or near residential areas and enhancing the residential character of those neighborhoods.

The Retail Commercial (RC) zoning district provides areas for general retail and service uses that neither require larger parcels of land, nor produce excessive environmental impacts.

The General Commercial (GC) zoning district provides for commercial uses that require larger parcels of land, and/or uses which involve products and activities that require special attention to environmental impacts.

The Office Commercial (OC) zoning district provides areas for business and professional offices and related uses in locations where they can be closely associated with residential areas and adequate major streets.

Industrial Zones

The Light Industrial (LI) zoning district provides for the manufacturing, processing, assembling, packaging and treatment of products which have been previously prepared from raw materials. Industrial establishments shall not have objectionable external features and shall feature well-landscaped sites and attractive architectural design, as determined by the Commission.

Institutional / Public Zone

The Institutional/Public (IP) zoning district provides for major institutional and governmental activities such as schools, public parks, churches, government offices, utility structures, hospitals, correctional facilities and other similar public and quasi-public uses.

Planned Unit Development

Planned Unit developments (PUDs) integrate buildings, land use, transportation facilities, utility systems and open space through an overall site design on a single parcel of land or multiple properties under one or more ownerships. The PUD process allows creativity and flexibility in site design and review which cannot be achieved through a strict adherence to existing zoning and subdivision standards.

Section 700. Amendments to the Urban Renewal Plan

C. Other Minor Amendments

3. Addition of a project substantially different from those identified in Sections 501 through 506 of the Plan. ~~or substantial modification of a project identified in Section 501 through 506 if the addition or modification of the project costs less than $500,000 in 1999 dollars.~~

~~D. Amendments requiring approval per ORS 457.095~~
~~1. The addition of improvements or activities which represent a substantial change in the purpose and objectives of this Plan, and which cost more than $500,000, shall be an amendment requiring approval per ORS 457.095, but not requiring notice as provided in ORS 457.120. The $500,000 amount will be adjusted annually from the year 2000 a according to the "Engineering News Record" construction cost index for the Northwest area.~~

Section 800. Maximum Indebtedness
The maximum indebtedness authorized under this plan *is* $~~35,347,600 (Thirty-five million, three hundred forty-seven thousand, and six hundred dollars)~~. *$45,133,469 (Forty-five million, one hundred thirty three thousand four hundred sixty nine thousand dollars).*

Attachment B – Comprehensive Plan Goals and Objectives
This section is replaced in its entirety with the following section.

Attachment B

As part of the consideration of a substantial amendment to the Sherwood Urban Renewal Plan (Plan), the section in the existing Plan, which addresses the Comprehensive Plan, is being updated to reflect current best practices. The following section will replace the existing Attachment B in its entirety.

ATTACHMENT B-COMPREHENSIVE PLAN GOALS AND OBJECTIVES

ORS 457.085 requires that an Urban Renewal Plan relate to definite local objectives. This section reviews the City Comprehensive Plan, The Vision for Old Town Sherwood and the Economic Development Strategy Plan.

A. CITY OF SHERWOOD COMPREHENSIVE PLAN

The City's Comprehensive Plan considers a wide range of goals and policies relating to land uses, traffic, transportation, public utilities, recreation and community facilities, economic development, housing and environmental protection. The goals of City of Sherwood Comprehensive Plan document are shown below in *italics*. The way the urban renewal plan in its entirety (both existing elements and proposed amendments) conforms to these components is shown in regular type. Specific goals and policies found in the Sherwood Comprehensive Plan which relate to this Plan are:

LAND USE POLICIES OF THE COMPREHENSIVE PLAN

The Land Use Chapter forms the backbone of the Comprehensive Plan. It expresses and applies City policy governing the allocation of land resources in the Planning Area. It specifies the kind, location and distribution of land use that the community intends to see developed. The development of land use policy has been the result of a carefully defined planning process that encouraged the involvement of all persons and agencies with an interest in the use of land within the Urban Growth Area of Sherwood.

An existing land use inventory and analysis was conducted in 1977 and again in 1989 to determine factors contributing to the existing pattern of development and the possible effects of the existing land use pattern on future development. A buildable land survey was taken to determine the nature and extent of vacant and developable land that was available and suitable for future urban growth. Then, standards were developed and applied to make a determination of future space needs for each major category of land use. These studies are to be periodically updated to provide the most reliable basis for plan policy.

1. EXISTING DEVELOPMENT PATTERN

Existing development in the Sherwood Planning Area is located in and around the original town center along the Southern Pacific Railroad line. The development pattern clearly indicates the historic reliance of the first community of Sherwood on the railroad for transportation of person and goods.

The development pattern indicates historic growth outward from the original town center grid to the hillside south of the railroad tracks and along major radial streets.

The existing 1990 distribution of developed land by major category in the Urban Growth Boundary is residential 54%; commercial 6%; industrial 17%; and public and semi-public 23%. About 205 acres, or almost 9% of all land within the urban area, is non-buildable due primarily to flood plains, creek bank slopes, and power line easements.

2. APPLICABLE LAND USE POLICIES AND IMPLEMENTING STRATEGIES

Policy 1 Residential areas will be developed in a manner that will insure that the integrity of the community is preserved and strengthened.

Strategy:

- New housing will be located so as to be compatible with existing housing.
- Buffering techniques shall be used to prevent the adverse effects of one use upon another. These techniques may include varying densities and types of residential use, design features and special construction standards.

New apartment units are planned as a project in the Area to help strengthen the downtown core and to provide housing opportunities to Sherwood residents. They will be integrated into the downtown public square area, with close access to the library and other city facilities.

Policy 2 The City will insure that an adequate distribution of housing styles and tenures are available.

Strategy:

- New developments will be encouraged to provide an adequate distribution of owner-occupied and renter-occupied units of all types and densities.

The development of apartments will provide much needed apartment choices in the downtown core for those who wish to be in proximity of the downtown but are unable to afford homeownership in the Area. The Agency has also purchased property intended for the future development of Senior Affordable Housing.

Policy 3 The City will insure the availability of affordable housing and locational choice for all income groups.

Strategy:

- Housing shall be of a design and quality compatible with the neighborhood in which it is located.

The development of apartments will provide much needed apartment choices in the downtown core for those who wish to be in proximity of the downtown but are unable to afford homeownership in the Area. The Agency has also purchased property intended for the future development of Senior Affordable Housing.

3. APPLICABLE ECONOMIC DEVELOPMENT POLICIES AND STRATEGIES

Policy 1 The City will coordinate on-going economic development planning with involved public and private agencies at the state, regional, county and local level.

Strategy:

- The City will develop and update an economic database through a two-way sharing of information between public and private agencies involved in economic planning.

The City and Agency staff are actively engaged with the development planning with public and private agencies at the state, regional, county and local level. The ability to use tax increment financing allows the City to implement economic development plans for the Area. Many of the projects involve coordinating with other entities to enable full project funding.

Policy 2 The City will encourage economic growth that is consistent with the management and use of its environmental resources.

Strategy:

- The City will adopt and implement environmental quality performance and design standards for all industrial, commercial and institutional uses.
- The City will seek to attract non-polluting industries to the urban area.
- The City will provide bikeway and pedestrian linkages between residential and non-residential areas.

Projects in the Plan assist in the development of bikeway and pedestrian linkages in the Area, providing substantial pedestrian improvements in the downtown core and trail linkages to the Cedar Creek Trail. Street improvements to Oregon Street and Century Drive include sidewalks, and Oregon Street will have a bike lane and is part of the planned Tonquin Trail (which the Cedar Creek trail is part of). Projects also provide for infrastructure development that will allow the City to attract non-polluting industries to the Area.

Policy 3 The City will direct public expenditures toward the realization of community development goals by assuring the adequacy of community services and facilities

for existing and future economic development.

Strategy:

- The City will coordinate planning with special districts providing services to the urban area to assure the adequacy of those services to support economic development.
- The City will continue to develop plans and improvement programs for parks, libraries and other "soft" services, recognizing that adequate facilities in these areas are an important component in business attraction and retention.

The Agency has assisted, through projects in the Plan, in the development of the Sherwood Library, Sherwood City Hall, the Cultural Arts Strategy, and the Community Center. The City meets regularly with the Sherwood School District, Tualatin Valley Fire and Rescue, Washington County and other special districts to coordinate special services as part of the implementation of projects in the Plan. In support of the policy, the Lincoln Street Improvements will help upgrade the road so that it provides adequate service to the neighborhood. The Parking Study and Redevelopment of Public Land into Parking Lots project will both help add appropriate parking facilities to adequately service the downtown core to support existing and future economic development.

Policy 4 The City will seek to improve regional access to the urban area as a means to encourage local economic development.

Strategy:

- The City will encourage the maximum use of the railroad corridor, encourage the development of spur service lines where needed and evaluate the feasibility of passenger service.

Regional access will be improved with the improvements along Oregon Street and Century Drive, both transportation improvements in the Plan.

Policy 5 The City will seek to diversify and expand commercial and industrial development in order to provide nearby job opportunities, and expand the tax base.

Strategy:

- The City will encourage the revitalization of the Old Town Commercial area by implementation of 1983's "Old Town Revitalization Plan" and the Old Town Overlay Zone.

The Plan provides projects that are intended to strengthen the downtown core, including street and streetscape improvements in the Sherwood Old Town Commercial Area. The Old Town Façade Grant Program also supports the downtown core.

The infrastructure improvements in the Plan along Oregon Street and Century Drive will assist in the future development of commercial and industrial uses that will provide job opportunities and expand the tax base.

Policy 6 The City will seek funding through EDA or HUD for the rehabilitation of the Old Town and Washington Hill neighborhoods.

Strategy:

- The City will seek implementation of new and rehabilitated housing goals set in the Regional Housing Opportunity Plan.
- The City will encourage the provision of affordable housing by designating areas within the City for medium density and high density developments, and by participating in State and Federal housing subsidy programs.

A property purchased through the Plan is intended to be used for Senior Affordable Housing, which conforms to this policy.

4. APPLICABLE COMMERCIAL LAND USE POLICIES AND STRATEGIES

Policy 1 Commercial activities will be located so as to most conveniently service customers.

Strategy:

- Community wide and neighborhood scale commercial centers will be established.
- Commercial centers will be located so that they are easily accessible on major roadways by pedestrians, auto and mass transit.
- Neighborhood commercial centers will be designated in or near residential areas upon application when need and compatibility to the neighborhood can be shown.

The Plan provides projects that are intended to strengthen the downtown core including street and streetscape improvements in the Sherwood Old Town Commercial Area. The Old Town Façade Grant Program also supports the downtown core.

The Plan includes a project to provide infrastructure improvements along Oregon Street and Century Drive which will provide opportunities for the development of community-wide commercial centers.

Policy 2 Commercial uses will be developed so as to complement rather than detract from adjoining uses.

Strategy:

- Commercial developments will be subject to special site and architectural design requirements.
- The older downtown commercial area will be preserved as a business district and unique shopping area.

The Plan provides projects that are intended to strengthen the downtown core including street and streetscape improvements in the Sherwood Old Town Commercial Area. The Old Town Façade Grant Program also supports the downtown core. The Cannery development will complement Old Town Sherwood and help preserve the business district.

Policy 4 The 1983 "Sherwood Old Town Revitalization Plan" and its guidelines and strategies are adopted as a part of the Sherwood Comprehensive Plan.

Strategy:

- The City will continue to encourage implementation of the goals, objectives, strategies and improvement projects outlined in the "Old Town Revitalization Plan."

The Plan provides projects that are intended to strengthen the downtown core including the Downtown Streetscapes Phase 2 project in the Sherwood Old Town Commercial Area. The Old Town Façade Grant Program also supports the downtown core. The Cannery Project will complement Old Town Sherwood and help preserve the business district. The Oregon Street Improvements will help turn the Street into an appropriate gateway to Sherwood and will support the downtown core. Additionally, Alley Improvements and Sidewalk Improvements to Old Town, the Parking Study, the Traffic Re-routing Study and Plans for Old Town, and the Main Street Program will all help support the downtown core, and thus conform with the above strategy and policy.

5. APPLICABLE INDUSTRIAL USE OBJECTIVES

Policy 1 Industrial uses will be located in areas where they will be compatible with adjoining uses, and where necessary services and natural amenities are favorable.

Strategy:

- Industrial development will be restricted to those areas where adequate major roads, and/or rail, and public services can be made available.

The Plan includes a project to provide infrastructure improvements along Oregon Street and Century Drive that will provide opportunities for the development of industrial uses to provide job opportunities and services for the residents of Sherwood.

Policy 2 The City will encourage sound industrial development by all suitable means to provide employment and economic stability to the community.

Strategy:

- The City will allocate land to meet current and future industrial space needs that will provide an appropriate balance to residential and commercial activities.
- The City will encourage clean capital and labor-intensive industries to locate in Sherwood.

The Plan includes a project to provide infrastructure improvements along Oregon Street and Century Drive that will provide opportunities for the development of industrial uses to provide job opportunities and services for the residents of Sherwood.

6. COMMUNITY DESIGN

Policy 1 The City will seek to enhance community identity, foster civic pride, encourage community spirit, and stimulate social interaction through regulation of the physical design and visual appearance of new development.

Strategy:

- Develop a civic/cultural center and plaza park as a community focus.
- Develop a system of streets, bikeways, sidewalks, malls, and trails linking schools, shopping, work, recreation and living areas.
- Promote the preservation of historically or architecturally significant structures and sites.

The Plan contains projects which help to foster community identity by installing street and streetscape improvements in the Old Town Area, providing civic improvements in the Old Town Area, developing the Cannery Area with a public plaza, community center, retail and commercial uses in addition to new housing which will support the Old Town Area. The Plan also contains a project to assist in the development of the Cedar Creek Trail system.

Policy 2 The formation of identifiable residential neighborhoods will be encouraged.

Strategy:

- Neighborhood scale facilities such as retail convenience centers, parks and elementary schools will be provided in or near residential areas.
- Natural and manmade features shall be used to define neighborhoods and protect them from undesirable encroachment by incompatible uses.

The projects in the Plan that provide assistance to businesses support the formation of identifiable residential neighborhoods by supporting businesses that provide neighborhood services.

Policy 3 The natural beauty and unique visual character of Sherwood will be conserved.

Strategy:

- Eliminate the visual presence of public utilities where possible.
- Adopt a sign ordinance that regulates the number, size and quality of signs and graphics. Standardize and improve the quality of public signs and traffic signalization.
- Develop and apply special site and structural design review criteria for multi-family, and manufactured housing parks, commercial and industrial developments.
- Develop and maintain landscaped conservation easements along major roadways and parkway strips along minor streets.

- Implement the Old Town design guidelines in the 1983 "Sherwood Old Town Revitalization Plan".

The streetscape project in the Plan has helped to underground utilities throughout the Old Town Area. The Plan has also assisted in providing way-finding signage in the Old Town Area.

Policy 4 Promote creativity, innovation and flexibility in structural and site design.

Strategy:

- Encourage visual variety in structural design.

The ability to partner with private developers, as allowed through projects in the Plan, provides opportunities to become involved in the design component of new development.

Policy 5 Stabilize and improve property values and increase tax revenues by the prevention of blighting influences including those resulting from noise, heat, glare, air, water and land pollution, traffic congestion, improper site and structure maintenance and incompatible land uses.

Strategy:

- Through traffic will be minimized in residential areas.
- Local site access will be discouraged along arterial and collector streets.
- Use a variety of buffering techniques to minimize the effects of incompatible uses.

Projects in the Plan including street and streetscape improvements (Downtown Streetscapes Phase 2, Oregon Street Improvements, Lincoln Street Improvements, Century Drive Extension, Alley Improvements, Sidewalk Improvements) and redevelopment assistance (Property Acquisition, Façade Grants, Main Street Program) support the City's efforts to improve property values and increase tax revenues by the prevention of blighting influences.

7. RECREATIONAL RESOURCES

The City of Sherwood has substantial open space and recreation opportunities within both the City limits and the urban growth boundary. Adjacent recreational opportunities for the region are associated with a potential greenway along the Tualatin River, the Tonquin Geological Area, Hedges Creek Wetlands and the proposed Rock Creek National Urban Wildlife Refuge in the northeast sector of the Sherwood UGB.

Policy 1 Open Space will be linked to provide greenway areas.

The Plan has a project to assist in the development of the Cedar Creek Greenway Expansion Trail and Redevelopment.

Policy 2 The City will maximize shared use of recreational facilities to avoid cost duplication.

A project in the Plan assisted in the renovation of the Sherwood High School Field and Stadium, a shared use facility in the Area.

Policy 4 The City will encourage and support the private sector in the provision of needed recreational opportunities.

Strategy:

- The City will adopt and implement standards for the provision of on-site open space and recreation areas and facilities in private development.
- The responsibility of new developments in meeting standards may, where appropriate be met by the provision of privately owned and maintained areas and facilities.
- The City will encourage the provision of private commercial recreation areas and facilities which address community recreational needs.

The Cannery Project will provide open space surrounded by mixed-use development meeting the policy for open space and recreation development.

8. TRANSPORTATION

The purpose of the Transportation element of the Comprehensive Plan is to describe a multi-modal system which will serve the future transportation needs of Sherwood. The plan for the future transportation system should be capable of effective implementation, responsive to changing conditions and be consistent with plans of adjoining jurisdictions. The Plan seeks to foresee specific transportation needs and to respond to those needs as growth occurs.

Goal 1: Provide a supportive transportation network to the land use plan that provides opportunities for transportation choices and the use of alternative modes serving all neighborhoods and businesses.

Policy 1 The City will ensure that public roads and streets are planned to provide safe, convenient, efficient and economic movement of persons, goods and services between and within the major land use activities. Existing rights of way shall be classified and improved and new streets built based on the type, origin, destination and volume of current and future traffic.

Projects in the Plan provide for the improvement of public roads and streets in the Area, including streetscape improvements.

Policy 2 Through traffic shall be provided with routes that do not congest local streets and

impact residential areas. Outside traffic destined for Sherwood business and industrial areas shall have convenient and efficient access to commercial and industrial areas without the need to use residential streets.

The project in the Plan for improvements to Oregon Street and Century Drive will assist in providing routes that do not congest local streets.

Policy 4 The City shall encourage the use of more energy-efficient and environmentally sound alternatives to the automobile by:

• The designation and construction of bike paths and pedestrian ways;

The projects in the Plan that assist in the construction of sidewalks, paths and bikeways and trails encourage more energy-efficient and environmentally sound alternative to the automobile.

Policy 6 The City shall work to ensure the transportation system is developed in a manner consistent with state and federal standards for the protection of air, land and water quality, including the State Implementation Plan for complying with the Clean Air Act and the Clean Water Act.

All new construction of the transportation system in the Plan will be in compliance with these policies.

Goal 2: Develop a transportation system that is consistent with the City's adopted comprehensive land use plan and with the adopted plans of state, local, and regional jurisdictions.

All new construction of the transportation system in the Plan will be in compliance with these policies.

Goal 4: Develop complementary infrastructure for bicycles and pedestrian facilities to provide a diverse range of transportation choices for city residents.

Policy 1 The City of Sherwood shall provide a supportive transportation network to the land use plan that provides opportunities for transportation choices and the use of alternative modes.

The improvements to the sidewalks, streetscape and Cedar Creek Greenway help encourage alternative modes of transportation.

Policy 2 Sidewalks and bikeways shall be provided on all arterial and collector streets for the safe and efficient movement of pedestrians and bicyclists between residential areas, schools, employment, commercial and recreational areas.

The construction of Oregon Street and Century Drive, a project in the Plan, provides sidewalks and bikeways.

Policy 5 The City of Sherwood shall include requirements for the provision of bicycle parking on large commercial, industrial, and multi-family residential projects.

Bicycle parking will be provided in the Cannery Project and will be required on any new development, as required in the Area.

Policy 6 The City of Sherwood will coordinate the bikeway system with adjacent jurisdictions, especially Tualatin, Wilsonville, Clackamas and Washington County.

Goal 6: Provide a convenient and safe transportation network within and between the Sherwood Old Town (Town Center) and Six Corners area that enables mixed use development and provides multi-modal access to area businesses and residents.

Policy 1 The City of Sherwood shall continue to refine and develop existing and new design guidelines and special standards for the Old Town and Six Corners areas to facilitate more pedestrian and transit friendly development.

Policy 2 The City of Sherwood shall work to provide connectivity, via the off-street trail system and public right-of-way acquisitions and dedications, to better achieve street spacing and connectivity standards.

Projects in the Plan including street improvements support the City's efforts to provide a convenient and save transportation network within and between Sherwood Old Town and Six Corners.

As described in the findings above, the Sherwood Urban Renewal Plan continues to conform with the Sherwood Comprehensive Plan with the amendments proposed.

B. VISION FOR OLD TOWN SHERWOOD

The final draft of the Vision for Old Town Sherwood was completed in January of 2000 and adopted by the Sherwood City Council on February 8, 2000. The Action Plan is presented in five chapters, which represent the key components of the Vision. The chapter summaries, which relate to the urban renewal plan, taken directly from the Vision for Old Town document, are shown below in *italics*. The way the urban renewal plan conforms to these components is shown in regular type.

Land Use and Design

This chapter recommends expansion and clarification of the Old Town District boundaries. It also recommends mixed-use zoning, with clear historic design standards. And, it recommends a new civic center complex to house city hall and other public and private activities.

The Plan has completed projects and has future projects that conform with this recommendation. The City Hall/Library complex was a project in the Plan. In addition, a new Community Center will be redeveloped as a project in the Plan. Part of this development will incorporate a new mixed-use development.

Transportation
This chapter recommends careful evaluation of the draft Transportation Systems Plan (TSP) to ensure that the access, circulation and parking needs of Old Town are appropriately incorporated into the final TSP. It also includes recommendations for street, sidewalk, and parking improvements.

The Plan has completed projects and has future projects that conform with this recommendation. Transportation projects within the Plan include street, sidewalk, streetscape improvements and parking improvements in the Old Town Area.

Business Development
This chapter recommends actions related to business retention, revitalization, recruitment, and an overall promotional and marketing strategy.

The Plan has completed projects and has future projects that address this recommendation. Façade loans and redevelopment assistance are projects in the Plan that conform with this recommendation.

Funding
This chapter recommends creation of an urban renewal district together with other public and private funding mechanisms. The intent is to provide a focused financial strategy that leverages private investments through targeted public expenditures to ensure that the essential assets of the vision are realized.

The creation of the urban renewal district implements this recommendation. Many of the projects in the Plan have been funded through the combination of funding mechanisms, including private development expected in the Cannery Project.

As described in the findings above, the Sherwood Urban Renewal Plan conforms with the Vision for Old Town Sherwood.

C. CITY OF SHERWOOD ECONOMIC DEVELOPMENT STRATEGY

The City of Sherwood Economic Development Strategy was adopted by the Sherwood City Council in 2007. The Vision Statement is "*The City of Sherwood will drive economic development and support businesses that provide jobs for our residents by building on our assets and developing the necessary infrastructure to retain existing businesses and support new*

businesses. Economic development also will be supported by maintaining our livability and character as a clean, healthy, and vibrant suburban community where one can work, play, live, shop and do business."

The goals of City of Sherwood Economic Development Strategy document are shown below in *italics*. The way the urban renewal plan conforms to these components is shown in regular type.

Goal: Support existing businesses and recruit additional businesses that provide local family-wage jobs. Replace any employment land rezoned for other uses with other employment land.

Objective: Capture existing workers in Sherwood who now work elsewhere.
Objective: Provide locations and support for local jobs for local residents.
Objective: Support and build upon manufacturing and other industries likely to produce family wage jobs.

Projects within the Plan conform to this Goal and these Objectives. The projects provide for infrastructure improvements to support development of vacant and underutilized parcels.

Goal: Support tourism as an economic engine.

Objective: Promote the cultural arts and historical attractions as tourism generators.
Objective: Continue to promote sporting events (i.e., Sports Town USA) as a tourism engine for Sherwood.
Objective: Leverage the presence of the Tualatin River National Wildlife Refuge, and its anticipated 50 to 60 visitors per day, to increase tourism in Sherwood.

Projects within the Plan conform to this Goal and these Objectives. The projects provide for the development of the library and the Community Center both of which provide cultural activities for the community. Projects have provided assistance with the field and stadium renovation at Sherwood High School support sporting events. The Cedar Creek Trail will be an asset to the trial and natural wildlife system.

Goal: Develop the infrastructure and services necessary to support economic development in Sherwood.

Objective: Identify and protect strategic industrial and other employment sites.
Objective: Prioritize infrastructure improvement projects according to their anticipated economic benefit.
Objective: Calculate the employment land mix necessary to help the city be self-sustaining in terms of the provision of adequate utilities and services.
Objective: Encourage the growth of a variety of restaurants and retail establishments that would cater to business people.
Objective: Improve transportation access to support tourism and other economic development strategies.

Projects within the Plan conform to this Goal and these Objectives. The projects provide for infrastructure improvements to support development of vacant and underutilized parcels. The façade loan program and redevelopment loans will also encourage the growth of restaurants and retail establishments that would cater to business people.

As described in the findings above, the Sherwood Urban Renewal Plan conforms with the Sherwood Economic Development Strategy.

Exhibit C

REPORT ACCOMPANYING SHERWOOD URBAN RENEWAL PLAN AMENDMENT NO. 15

Prepared for the City of Sherwood

December 7, 2011

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TABLE OF CONTENTS

INTRODUCTION **1**

EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES **3**

PHYSICAL CONDITIONS **3**
LAND USE 3
ZONING AND COMPREHENSIVE PLAN DESIGNATIONS 4
INFRASTRUCTURE: EXISTING CONDITIONS **6**
STREET AND SIDEWALK CONDITIONS 6
STORMWATER 8
SANITARY SEWER 8
WATER 9
SOCIAL CONDITIONS **9**
ECONOMIC CONDITIONS **11**
TAXABLE VALUE OF PROPERTY WITHIN THE AREA 11
BUILDING TO LAND VALUE RATIO 11
IMPACT ON MUNICIPAL SERVICES **12**

REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN **13**

THE RELATIONSHIP BETWEEN URBAN RENEWAL PROJECTS AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA **13**

THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS **17**

THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT **18**

AMOUNT OF INCREASED MAXIMUM INDEBTEDNESS ALLOWED **19**

THE ESTIMATED AMOUNT OF TAX INCREMENT REVENUES REQUIRED AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED **20**

FINANCIAL ANALYSIS OF THE PLAN **22**

IMPACT OF THE TAX INCREMENT FINANCING **23**

COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA **26**

RELOCATION REPORT **26**

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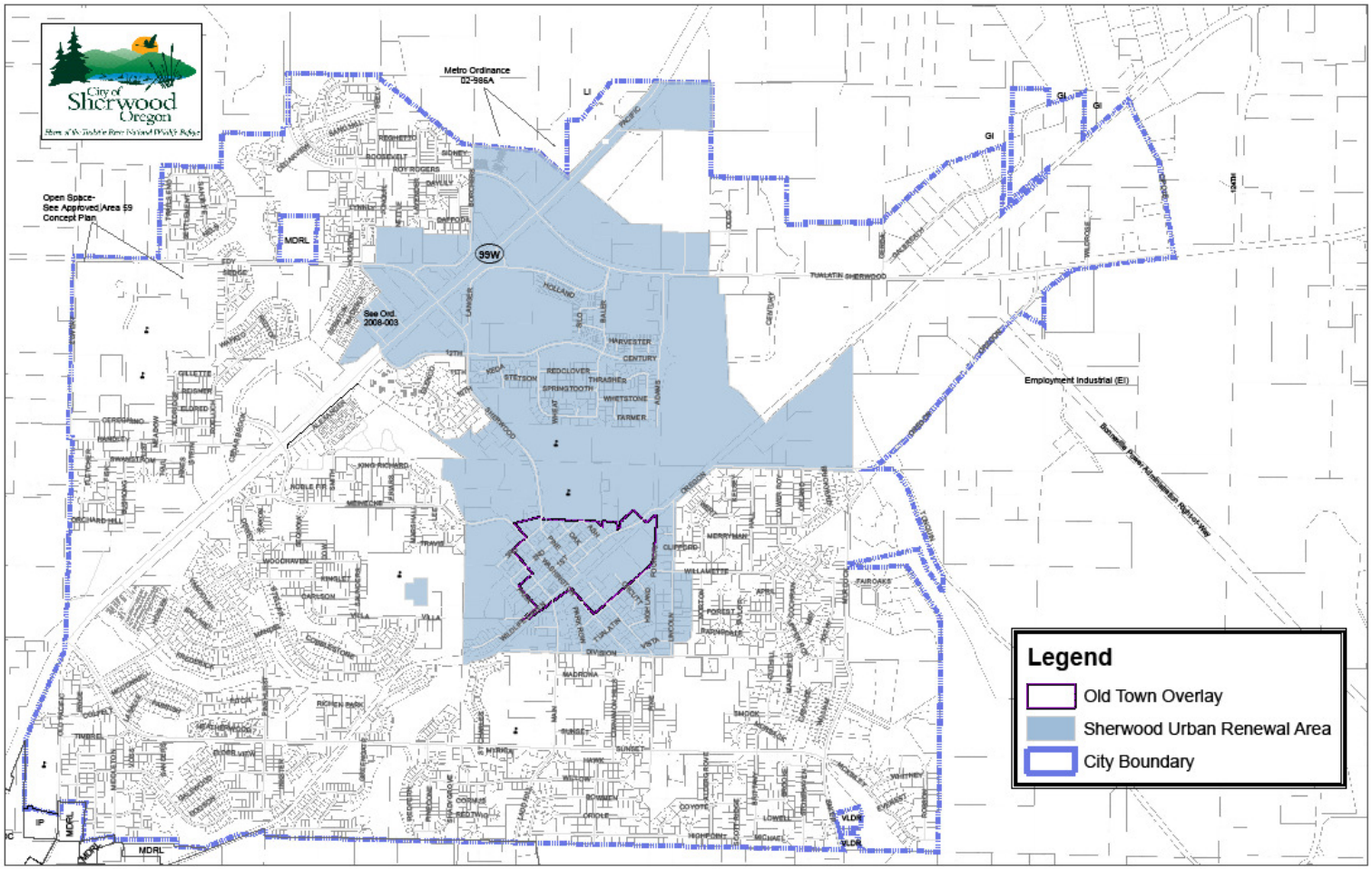
INTRODUCTION

The Report on the Amendment to the Sherwood Urban Renewal Plan (Report) contains background information and project details pertaining to the Sherwood Urban Renewal Plan Amendment (Amendment). The Report is not a legal part of the Sherwood Urban Renewal Plan (Plan), but is intended to provide public information and a basis for the findings made by the City Council as part of its approval of the Amendment to the Plan.

The Report provides the information required in ORS 457.085(3). The format of the Report is based on this statute. The Report documents not only the proposed projects in the Plan, but also documents the existing conditions in the Sherwood Urabn Renewal Area (Area). Documentation of the existing conditions of the Area is required because this is a Substantial Amendment to the Sherwood Urban Renewal Plan. Many of the projects identified in this Report for the existing conditions of the infrastructure of the Area are projects identified in a master plan or capital improvement plan, but are not necessarily identified as projects in the Sherwood Urban Renewal Plan.

The Sherwood Urban Renewal Plan was established in August of 2000, and has completed many projects towards its purpose of eliminating blight in downtown Sherwood. Over the years, as the economic and physical landscape around Sherwood has changed, the Plan has also changed. To date, there have been 14 amendments, with the most recent being passed in November of 2011. These amendments have, among other things, updated project costs, adjusted the boundary and established the maximum indebtedness. The amendment this Report addresses – the 15th Amendment to the Sherwood Urban Renewal Plan – seeks to raise the Maximum Indebtedness (MI) of the Plan by $9,785,869, bringing the total MI to be incurred to $45,133,469. This will be considered a substantial amendment, and will require a City Council vote on a non-emergency ordinance.

Figure 1 - Sherwood Urban Renewal Plan Area Boundary



City of Sherwood GIS Program
Source: 2011 Metro RLIS Lite Data and City of Sherwood Data

EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES

This section of the Report describes existing conditions within the Sherwood Urban Renewal Area (Area), and documents the occurrence of "blighted areas", as defined by ORS 457.010(1).

Physical Conditions

Land Use

According to the Washington County Assessor's Office, the Area, shown in Figure 1 above, contains 1068 parcels, and consists of 473.78 acres and 122.06 acres of right-of-way, for a total size of 595.84 acres.

An analysis of property classification data from the Washington County Assessment and Taxation database was used to determine the land use designation of parcels in the Area.

Within the Area, the largest use of land is Commercial – Improved (25.75% of total acreage). Following this, but excluding tax-exempt uses, is Residential – Improved (17.75%) and then Residential – Land Only (12.15%). Another interesting thing to note is that, when comparing individual parcels instead of acreage, over 50% of the parcels in the Area are Residential – Improved (610 parcels), followed by Condominiums (234 parcels).

Table 1 - Existing Land Use of Area

Land Use	Parcels	Acreage	% of Total Acreage
Commercial - Improved	84	122	25.75%
Tax-Exempt	83	121.75	25.70%
Residential - Improved	610	84.1	17.75%
Residential - Land Only	19	57.57	12.15%
Industrial - Vacant	7	32.98	6.96%
Multi-Family	8	29.85	6.30%
Miscellaneous	4	10.22	2.16%
Commercial - Vacant	11	5.5	1.16%
Industrial - Improved	3	4.17	0.88%
Urban Developable Tract - Vacant	3	2.86	0.60%
Urban Developable Tract - Improved	2	2.78	0.59%
Condominiums	234	0	0.00%
Total*	1,068	473.78	100.00%

**This total does not include 291 leasing interests Source: Washington County Assessor*

Zoning and Comprehensive Plan Designations

In the City of Sherwood, the zoning code implements the Comprehensive Plan. This code establishes districts to control land use throughout the city, and regulates development standards within these established use districts.

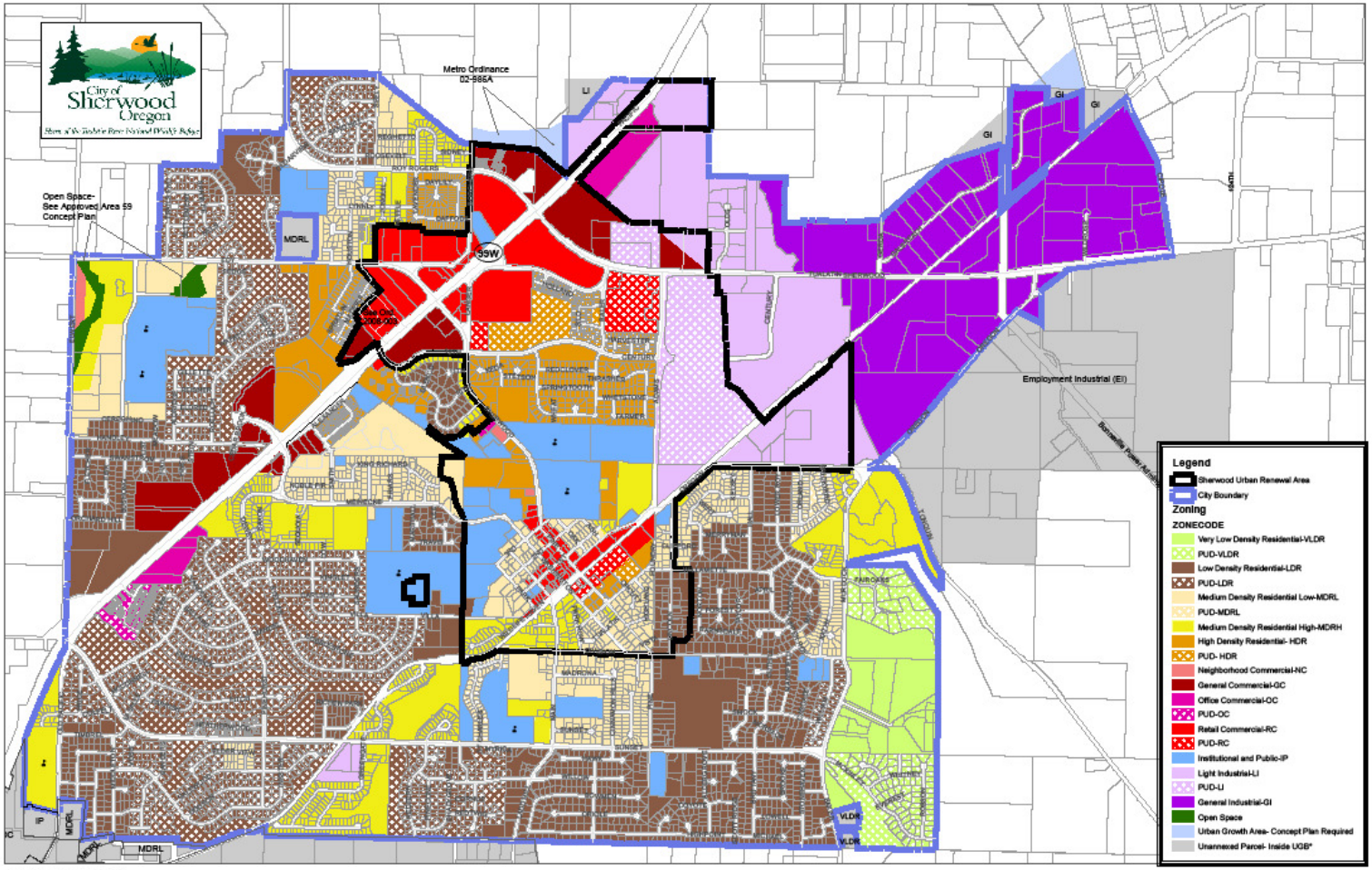
As illustrated in Table 2 and Figure 2, the largest portion (16.07%) of the Area is zoned as Retail Commercial. This is followed by Institutional and Public, which is approximately 14.43%, and close after that is Light Industrial – PUD (14.13%). All combined, residential zones comprise 29.70%of the Area and commercial zones comprise 26.50% of the Area.

Table 2 - Existing Zoning and Comprehensive Plan Designations of Area

Zone	Parcels	Acreage	% of Total Acreage
Retail Commercial	109	76.5	16.07%
Institutional and Public	18	68.69	14.43%
Light Industrial - PUD	3	67.25	14.13%
High Density Residential	231	60.14	12.64%
Light Industrial	10	46.78	9.83%
General Commercial	229	31.63	6.65%
Not Specified	9	25.75	5.41%
High Density Residential - PUD	180	24.37	5.12%
Medium Density Residential Low	152	24.02	5.05%
Medium Density Residential High	79	22.44	4.71%
Retail Commercial - PUD	4	16.17	3.40%
Low Density Residential	40	10.39	2.18%
Neighborhood Commercial	2	1.03	0.22%
Office Commercial	2	0.81	0.17%
Total*	1,068	475.97**	100.00%

**Total does not include 291 leasing interests*
***This number differs slightly from other totals because the City of Sherwood uses a different GIS system than Washington County*
Source: City of Sherwood

Figure 2 - Area Zoning and Comprehensive Plan Designations



City of Sherwood GIS Program
Source: 2011 Metro RLIS Lite Data and City of Sherwood Data

Infrastructure: Existing Conditions

Street and Sidewalk Conditions

While large portions of the Area have been recently improved and streetscaped with urban renewal funds, there are still sections of road that do not adequately serve the community. These sections need to be upgraded to provide a safe and appealing transportation network that will encourage efficient pedestrian and vehicular travel and make the Area an attractive location for business owners. Some of the notable streets that still require improvements are listed below:

Century Drive has yet to be constructed, but it is needed to provide an adequate connection to a Light Industrial zoned portion of the Area. Once transportation facilities are provided, the Light Industrial area will be better able to attract investors.

Lincoln Road is in a dilapidated condition and requires resurfacing.

Oregon Street serves as one of the entrances to the community, yet it has not been improved to the level of the surrounding streets. To properly represent the community and encourage visitor stops, it needs appropriate signage and there needs to be a gateway welcoming traffic to Downtown Sherwood. Additionally, from the roundabout to Lower Roy Road, Oregon Street has no sidewalks, and after Lower Roy Road, there is only a sidewalk on one side of the street. Along with various streetscape projects, including sidewalks, resurfacing, planters, and greenery, there are utilities running along the street that need to be undergrounded.

Railroad Street in Downtown Sherwood needs resurfacing to address the large amounts of cracking and patching that currently exists in the pavement. The street also requires some streetscaping treatment, including a sidewalk, street trees, and planters.

Additionally, the Transportation System Plan for Sherwood was created in 2005, and it identifies both the current conditions of the transportation system and what will be needed to meet demand in the long term. To meet both current and future demand, the plan, and City of Sherwood, have identified deficiencies in the system, and detailed projects totaling $56,890,379 that are required to address these deficiencies. Those projects that were identified in the plan, and by the City, and that have yet to be completed, and lie within the Urban Renewal Area (URA) boundary, are listed in Table 3, below.

Table 3 – Projects in Area in the Transportation System Plan

Project	Estimated Cost
Capital	
Downtown Streetscapes Phase 2 Design and Construction	$2,927,596
Century Drive	$500,000
Edy Road/Borchers Drive	$600,000
Oregon Street	$8,000,000
Sherwood Boulevard/Langer Drive	$750,000
Sherwood Boulevard/Century Drive	$275,000
Roy Rogers Road from Borchers Drive to Highway 99W	$4,000,000
Langer Drive/Tualatin-Sherwood Road	$250,000
Lincoln Street (from Oregon Street to Willamette Street)	$2,970,000
Lincoln Street (from Willamette Street to Division Street)	$4,000,000
Clifford Court	$2,375,000
Highland Drive (Willamette Street to Pine Street)	$2,400,000
Willamette Street (Pine Street to Division Street)	$2,250,000
Villa Street/First Street Connection	$2,882,265
Sub-Total	$34,179,861
Rehabilitation	
Lincoln Street (from Willamette Street to Division Street)	$146,741
Alexander Lane (from Smith Avenue to end of street)	$14,320
Gleneagle Drive (from 10th Street to Sherwood Boulevard)	$132,252
Gleneagle Drive (from Glenco Court to 12th Street)	$90,607
Glenco Court (from Gleneagle Drive to the end of the cul-de-sac)	$23,735
12th Street (from Sherwood Boulevard to Highway 99W)	$207,700
10th Street (from Gleneagle Drive to Sherwood Boulevard)	$29,585
Oregon Street (from Lincoln Street to Murdock Road)	$215,578
Pine Street	$2,550,000
Old Town Streets	$10,800,000
Cannery Arterials	$2,550,000
Future Phases	$4,700,000
Oregon Street/Tonquin Road	$1,000,000
Adams Street/Tualatin-Sherwood Road	$250,000
Sub-Total	$22,710,518
Total	$56,890,379

Source: City of Sherwood Transportation Systems Plan

Stormwater

Stormwater treatment in the Area is generally sufficient, however, there are still a few projects planned in the Area.

Table 4 - Stormwater Projects in the Area Listed in the Capital Improvement Plan

Project	Estimated Cost
Catch basin/inlet replacement program	$332,000
Repairs to Water Facility at 2nd and Park	$12,000
Columbia St. Storm Water Facility	$1,500,000
Oregon St. Regional Storm Water Facility	$400,000
South Stella Olsen Park Stormwater Facility	$250,000
Community Campus Park Stormwater Facility	$250,000
Total	2,744,000

Source: City of Sherwood Capital Improvement Plan

Sanitary Sewer

The Sanitary Sewer Master Plan for Sherwood was created in 2007, and it identifies both the current conditions of the sanitary sewer system and what will be needed to meet long-term demand. To meet both current and future demand, the Master Plan and the City of Sherwood have identified deficiencies in the system, and have detailed the projects, totaling $2,032,161, that are required to address these deficiencies. Those projects that are identified in the Master Plan, and by the City, and that have yet to be completed, and lie within the URA boundary, are listed in Table 5, below.

Table 5 - Sanitary Sewer Projects in the Area from the Sanitary Sewer Master Plan

Project	Project Category	Project Location	Estimated Cost
11	Rehabilitation	SW Willamette St at Orcutt Place	$76,382
12	Rehabilitation	SW Willamette St. at Highland Drive	$124,912
14	Rehabilitation	SW Washington St	$52,750
15	Rehabilitation	SW Schamburg Dr. at Division	$245,182
17	Rehabilitation	SW Pine/SW Park	$76,382
18	Rehabilitation	Old Town Laterals	$40,000
19	Rehabilitation	Ash Street Manhole	$10,000
Small portions of:			
6	Capacity Upgrade	Rock Creek Trunk	$356,128
7	Capacity Upgrade	Rock Creek Trunk	$366,928
8	Capacity Upgrade	Area 48 North	$683,497
Total			$2,032,161

Source: City of Sherwood Sanitary Sewer Master Plan

In addition to the projects listed above, the Sanitary Sewer Master Plan also identifies two manholes on Oregon Street for potential replacement.

Water

The City of Sherwood has identified water projects to take place within the Area, totaling $1,049,840. These projects mainly address infrastructure deficiencies in fire flow and water transmission.

Table 6 - Water Projects in the Area Listed in the Capital Improvement Plan

Project	Estimated Cost*
Regal Cinema	$21,060
Langer Drive at Albertson's Parking Lot	$148,850
Albertsons Parking Lot	$43,810
Tualatin Sherwood Rd.	$111,930
First St., Pine to Washington	$33,280
Langer Drive Stub-Out South No.1	$49,168
Langer Drive Stub-Out South No.2	$56,336
Roy Rogers Rd. Stub-Out	$15,582
North Sherwood Blvd Stub-Out No.2	$15,582
North Sherwood Blvd Stub-Out No.3	$32,242
Adams North Ext.	$522,000
Total	$1,049,840

*Source: City of Sherwood Capital Improvement Plan *costs are in 2005 dollars*

Social Conditions

There are 871 parcels in the Area with residential uses, accounting for 36.23% of the acreage, and 80.28% of parcels, in the Area. The 2010 census data that was recently released is used, below, to describe the social conditions within the Area. Due to the fact that this data is for the City of Sherwood as a whole, not just the URA, some variation can be expected between the values represented in the tables and the actual values within the URA. The percentages presented here, however, should provide a reasonably accurate picture of what demographic exists within the Sherwood Area.

The age distribution in Sherwood has two peaks, one at the 5-14 year age groups, and a second at the 35-44 year age groups. These groups account for over 40% of Sherwood's population, and people under 50 years of age account for over 79% of the total population. Overall, the median age of a Sherwood City resident (meaning half of Sherwood residents are older, and half are younger) is 34.3 years. The full age distribution of the Area is shown in Table 7, below.

Table 7 - Age

Age	Population	Percent
Under 5 years	1,518	8.3%
5 to 9 years	1,860	10.2%
10 to 14 years	1,842	10.1%
15 to 19 years	1,218	6.7%
20 to 24 years	608	3.3%
25 to 29 years	927	5.1%
30 to 34 years	1,330	7.3%
35 to 39 years	1,876	10.3%
40 to 44 years	1,858	10.2%
45 to 49 years	1,400	7.7%
50 to 54 years	1,065	5.9%
55 to 59 years	801	4.4%
60 to 64 years	651	3.6%
65 to 69 years	421	2.3%
70 to 74 years	275	1.5%
75 to 79 years	210	1.2%
80 to 84 years	151	0.8%
85 years and over	183	1.0%
Total population	18,194	100.0%
Median age (years)	34.3	

Source: 2010 US Census Data

The racial characteristics of the City of Sherwood are shown in Table 8, below. The majority of people (88.3%) in Sherwood identify themselves as white and the second largest group (5.2%) that people identify with is Asian.

Table 8 - Racial Characteristics

Race	Population	Percent
White	16,732	88.3%
Black or African American	252	1.3%
American Indian and Alaska Native	235	1.2%
Asian	989	5.2%
Native Hawaiian and Other Pacific Islander	149	0.8%
Some Other Race	585	3.1%
Total	18,942	100.0%

Source: 2010 US Census Data

The US Census chooses to describe Hispanic or Latino demographics in a table separate from the other races. This data is shown below in Table 9, and is simply another representation of the racial characteristics of the Area. The majority of people who identify themselves as Hispanic or Latino are of Mexican origin (5.4%).

Table 9 - Racial Characteristics (Hispanic or Latino)

Race	Population	Percent
Mexican	983	5.4%
Puerto Rican	46	0.3%
Cuban	45	0.2%
Other Hispanic or Latino [5]	205	1.1%
Not Hispanic or Latino	16,915	93.0%
Total population	18,194	100.0%

Source: 2010 US Census Data

Economic Conditions

Taxable Value of Property Within the Area

The estimated 2011/2012 total assessed value of the real property in the Area is $251,690,670. The total assessed value, including all real, personal, manufactured, and utility properties, is $290,300,463. The frozen base is $115,300,444. The excess value of the Sherwood Urban Renewal Area is $175,000,019.[1] The total assessed value of the City of Sherwood is $1,518,340,179[2].

Building to Land Value Ratio

An analysis of property values can be used to evaluate the economic condition of real estate investments in a given area. The relationship of a property's improvement value (the value of buildings and other improvements to the property) to its land value is generally an accurate indicator of the condition of real estate investments. This relationship is referred to as the "Improvement to Land Ratio", or "I:L." The values used are real market values. In urban renewal areas, the I:L may be used to measure the intensity of development or the extent to which an area has achieved its short- and long-term development objectives. A healthy condition of real estate investment in the Area would be 4:1 or more.

[1] Excess value is the "incremental value" over the frozen base in an urban renewal area

[2] Data from Washington County Assessor's 2011-12 tax roll summary

Table 10, below, "I:L Ratio of Parcels in the Area", shows the improvement to land ratios for taxable properties within the Area. Approximately 58% of the acreage in the Area (730 parcels) has an improvement ratio below 1.5. Only 5.27% of the acreage (eight parcels) meets the I:L ratio of 4.0. The I:L ratios for improved properties in the Area are very low. Additionally, the Area contains 82.01 acres of undeveloped land.

Table 10 - I:L Ratio of Parcels in the Area

I:L Ratio	Parcels	Acreage	% of Total Acreage
Not Taxable	59	97.87	20.66%
No Improvements	58	82.01	17.31%
Condos	234	0.00	0.00%
0.01 - 0.50	77	58.41	12.33%
0.51 - 1.00	406	86.96	18.35%
1.01 - 1.50	189	47.09	9.94%
1.51 - 2.00	22	42.79	9.03%
2.01 - 3.00	13	22.61	4.77%
3.01 - 4.00	2	11.05	2.33%
4.01 - 5.00	2	4.95	1.04%
>5.0	6	20.04	4.23%
Total*	1068	473.78	100.00%

Source: raw data from Washington County Assessor
**This total does not include 291 leasing interests because there is no land value listed*

Impact on Municipal Services

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (affected taxing districts) is described in the Section on Impact of Tax Increment Financing of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

The projects being considered for future use of urban renewal are primarily transportation projects. The use of urban renewal funding for these projects allows the city to match other funding sources to actually construct the improvements. It also allows the city to tap a different funding source than the City of Sherwood's general funds to make these improvements.

It is anticipated that these improvements will catalyze development on the adjacent undeveloped and underdeveloped parcels. This development will require city services, but will also generate systems development charges and revenues from the use of utilities in the Area. As the development will be new construction, it will be up to current building code, and will aid in any fire-protection needs.

These impacts will be countered by providing major transportation funding for vital connections to Sherwood and major parcels of undeveloped and underdeveloped land. This land will provide future jobs to the Sherwood area, and future increased tax base for all taxing jurisdictions.

Reasons for Selection of Each Urban Renewal Area in the Plan

The reason for selecting the area has not changed with this amendment. The documented reason for selections was to cure blight within the area.

The Relationship Between Urban Renewal Projects and the Existing Conditions in the Urban Renewal Area

The projects identified for the Area are shown in Table 11, below, and the table is followed by descriptions of the projects and how they relate to the existing conditions in the Area:

Table 11 - Projects to be Completed Using URA Funds

Project	Estimated Cost
Downtown Streetscapes Phase 2	$2,950,000
Oregon Street Improvements	3,290,000
Lincoln Street Improvements - Willamette to Division Street	734,000
Century Drive Extension	500,000
Cedar Creek Trail	200,000 - 300,000
Sub-Total Infrastructure	$7,774,000
Property Acquisition	$500,000
Façade Grants	200,000
Main Street Program	100,000
Parking Study	50,000
Alley Improvements in Old Town	500,000
Sidewalk Improvements in Old Town	100,000
URA Administration	1,200,000
Traffic Re-routing Study and Plans for Old Town	175,000
Redevelopment of Public Land into Parking Lots	371,000
Sub-total Other Projects	$3,196,000
Total	$10,970,000

Source: City of Sherwood

Downtown Streetscapes Phase 2

This project will reconstruct Railroad Street between Pine Street and Main Street, and Washington Street between Railroad Street and 1st Street to match Cannery Street development. It will also include the installation of new utility infrastructure.

Existing Conditions: These roads do not have improvements that bring them to the same level as roads in the surrounding area. Additionally, they have large amounts of cracking and patching, and are, in places, missing key ingredients to a pedestrian friendly downtown, including sidewalks.

Oregon Street Improvements

This project will reconstruct Oregon Street between Lincoln Street and a roundabout at Murdock to full TSP standards. It also includes the option to construct a regional trail.

Existing Conditions: Oregon Street will be enhanced to the level that it can function as an appropriate gateway to downtown Sherwood.

Lincoln Street Improvements – Willamette to Division Street

This project will rehabilitate the Lincoln Street pavement section between Willamette Street and Division Street. The URA funded portion of the project will not bring the road fully up to TSP standards for residential street sections.

Existing Conditions: Lincoln Street is dilapidated and requires resurfacing. This project will improve the road and bring it back up to a serviceable condition.

Century Drive Extension

This project constructs an extension of Century Drive between Adams Avenue and Tualatin-Sherwood Road. This three-lane road extension is classified as a collector and will conform to the TSP street standards. The road will provide improved access to industrial properties.

Existing Conditions: Currently, this portion of the Langer property lacks sufficient road access, and this issue has proven to be a barrier to development.

Cedar Creek Trail

This project will provide URA funds, which will match a $5.2 million Metro Regional Flexible Funds Grant, to develop a regional trail system through Sherwood. The trail system will promote non-automotive transportation within the

URA area and downtown Sherwood as a whole, and will support both pedestrian and bicycle traffic.

Existing Conditions: Sidewalks, parks, and some trails currently exist within the URA, but they do not provide adequate connections from the surrounding communities to downtown Sherwood.

Property Acquisition

The Agency desires to continue to acquire properties within the Area.

Existing Conditions: There are properties within the Area that are presently privately or publicly owned that the Agency may wish to acquire in the future. (Any acquisition must be done through a Plan amendment that specifies those properties to be acquired.)

Façade Grants

The Agency has a Façade Grant Program that provides grants to property owners within the Area.

Existing Conditions: There is an existing Façade Grant Program that will need future, continued funding.

Main Street Program

The Main Street Program supports efforts to improve Old Town, the "Main Street" of the Area. These funds will only be used for capital improvements or other eligible urban renewal expenditures.

Existing Conditions: The Main Street Program, which supports Old Town, is in operation and works on projects in Old Town. The group may, from time to time, identify projects that will assist in upgrading the Area.

Parking Study

A parking study for Old Town is desired to evaluate future parking needs and project future improvements to address those needs.

Existing Conditions: There are parking needs in Old Town that need to be analyzed and addressed.

Alley Improvements in Old Town

The Agency desires to make improvements to the alleys in Old Town. The alleys are currently gravel and underground utilities are near the surface. The URA plans to relocate the utilities and pave the alleys to improve pedestrian flow.

Existing Conditions: There are alleys in Old Town that are blighting conditions in the Area and need to be improved.

Sidewalk Improvements in Old Town

The Agency desires to make improvements to the sidewalks in Old Town, where needed.

Existing Conditions: There are sidewalks in Old Town that are blighting conditions in the Area and need to be improved.

Traffic Rerouting Study and Plans for Old Town

The Old Town area requires analysis of the traffic patterns and their impacts.

Existing Conditions: There is significant traffic in the Old Town area that impacts the area. A study will allow the Agency and City to address these issues.

Redevelopment of Public Lands into Parking Lots

There are publicly owned lands that could be used as parking lots to help facilitate parking in the Area.

Existing Conditions: These publicly owned lands are not presently used as parking lots, but have the potential to address parking issues in the Area.

URA Administration Costs

Administrative Costs are incurred to implement the Urban Renewal Plan.

Existing Conditions: The City currently bills urban renewal administrative costs to the Agency.

THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS

The costs of the projects are shown in Table 12 below. The sources of funds are tax increment revenues. The Cedar Creek Trail will be a match to other local funds.

Table 12 - Estimated Cost of Projects

Project	Estimated Cost
Infrastructure	
Downtown Streetscapes Phase 2	$2,950,000
Oregon Street Improvements	3,290,000
Lincoln Street Improvements - Willamette to Division Street	734,000
Century Drive Extension	500,000
Cedar Creek Trail	200,000 - 300,000
Sub-total Infrastructure	$7,674,000 - 7,774,000
Property Acquisition	$500,000
Façade Grants	200,000
Main Street Program	100,000
Parking Study	50,000
Alley Improvements in Old Town	500,000
Sidewalk Improvements in Old Town	100,000
URA Administration	1,200,000
Traffic Re-routing Study and Plans for Old Town	175,000
Redevelopment of Public Land into Parking Lots	371,000
Sub-total Other Projects	$3,196,000
Total	$10,870,000 - 10,970,000

Source: City of Sherwood

THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

The project schedule is shown in Table 13. The infrastructure projects will be scheduled as shown. The other projects will be ongoing and will be completed as directed by the Agency.

Table 13 - Anticipated Completion Dates

Project	Anticipated Completion Date
Infrastructure	
Downtown Streetscapes Phase 2	October 2012
Oregon Street Improvements	October 2013
Lincoln Street Improvements - Willamette to Division Street	October 2017
Century Drive Extension	October 2012
Cedar Creek Trail	October 2015

Source: City of Sherwood

AMOUNT OF INCREASED MAXIMUM INDEBTEDNESS ALLOWED

ORS 457.220(4)(a) and (b) state that an urban renewal plan's indebtedness may be increased, but is limited to the aggregate of all amendments under this subsection, and may not exceed 20% of the plan's initial maximum indebtedness, as adjusted by the index used in the plan to compute future costs of projects that will be financed under the plan. The computation for the Sherwood Urban Renewal Plan is shown below. The initial maximum indebtedness was $35,347,600. The adjustment factor in the Plan was 3%. Therefore, the Plan's maximum indebtedness may be increased by $9,785,869 to a new maximum indebtedness of $45,133,469.

Table 14 - Maximum Indebtedness Increase

Year	Percentage Rate	Maximum Indebtedness
Adopted Aug 29, 2000	Initial MI	$35,347,600
2001, Year 1		36,408,028
2002, Year 2	3%	37,500,269
2003, Year 3		38,625,277
2004, Year 4		39,784,035
2005, Year 5		40,977,556
2006, Year 6		42,206,883
2007, Year 7		43,473,089
2008, Year 8		44,777,282
2009, Year 9		46,120,601
2010, Year 10		47,504,219
2011, Year 11		48,929,345
20% of Year 11		9,785,869
New Maximum Indebtedness		$45,133,469

THE ESTIMATED AMOUNT OF TAX INCREMENT REVENUES REQUIRED AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED

Table 15 shows the tax increment revenues and their allocation to loan repayments, reimbursements, debt service, and debt service reserve funds. The Area also hits the revenue sharing triggers implemented by the State in ORS 457.470, as further described in the section of this report on Impacts to Taxing Jurisdictions.

It is anticipated that all debt will be retired by FYE 2021 (any outstanding bonds will be defeased). The maximum indebtedness is increased by $9,785,869 to a new maximum indebtedness of $45,133,469 (Forty-five million, one hundred thirty three thousand four hundred sixty nine thousand dollars).

The estimated total amount of tax increment revenues required to service the increase in maximum indebtedness of $9,785,869 is $19,277,202. This estimate is a conservative estimate of the potential revenue required as the Area shows some ability to defease loans earlier than the projections below indicate, which would lower the total revenues required. The increased maximum indebtedness extends the urban renewal area by an estimated three years, from FYE 2018 to FYE 2021, even with revenue sharing.

Table 15 - Tax Increment Revenues and Allocations to Debt Service

FYE	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt Service											
2003 B of A Loan: Civic Building	$ 305,590	$ 300,236									
2003 OECDD Loan	$ 438,486	$ 435,853	$ 437,879	$ 434,138	$ 434,738	$ 434,938	$ 434,483	$ 438,353	$ 436,313	$ 438,553	$ 434,828
2004 B of A Loan: Cannery	$ 39,682	$ 37,809	$ 35,983								
2005 B of A Loan: Old School	$ 56,080	$ 55,126	$ 56,112	$ 55,928	$ 55,628	$ 56,212	$ 55,626	$ 55,922	$ 56,048		
2005 B of A Loan: Sports Fields	$ 24,256	$ 23,644	$ 24,032	$ 24,386	$ 23,706	$ 24,026	$ 25,032	$ 24,564	$ 23,782		
2006 B of A Loan: Downtown Streets	$ 175,396	$ 175,416	$ 175,398	$ 175,396	$ 175,386	$ 175,396	$ 175,395	$ 175,386	$ 175,397	$ 175,398	$ 43,849
2006 OECDD Loan: Downtown Streets	$ 483,820	$ 485,419	$ 481,619	$ 482,619	$ 483,219	$ 483,419	$ 483,220	$ 482,619	$ 481,619	$ 484,863	$ 482,263
2010 B of A Loan	$ 554,820	$ 553,346	$ 551,360	$ 553,866	$ 555,606	$ 551,580	$ 552,046	$ 551,746	$ 555,680	$ 553,596	$ 555,768
2012 Loan	$ -	$ 650,188	$ 650,188	$ 650,188	$ 650,188	$ 650,188	$ 650,188	$ 650,188	$ 650,188	$ 650,188	$ 650,188
2013 Loan	$ -	$ -	$ 267,774	$ 267,774	$ 267,774	$ 267,774	$ 267,774	$ 267,774	$ 267,774	$ 267,774	$ 267,774
Total Debt Service	$ 2,078,130	$ 2,717,037	$ 2,680,345	$ 2,644,295	$ 2,646,245	$ 2,643,533	$ 2,643,764	$ 2,646,552	$ 2,646,801	$ 2,570,372	$ 2,434,670
Cumulative Remaining D/S											
Outstanding debt	$ 27,154,483	$ 25,076,353	$ 23,009,504	$ 21,247,121	$ 19,520,788	$ 17,792,505	$ 16,066,934	$ 14,341,132	$ 12,612,542	$ 10,883,703	$ 9,231,293
New Debt	$ 19,277,202	$ 19,277,202	$ 18,627,014	$ 17,709,052	$ 16,791,090	$ 15,873,128	$ 14,955,166	$ 14,037,204	$ 13,119,242	$ 12,201,280	$ 11,283,318
Total Debt	$ 46,431,685	$ 44,353,555	$ 41,636,518	$ 38,956,173	$ 36,311,878	$ 33,665,633	$ 31,022,100	$ 28,378,336	$ 25,731,784	$ 23,084,983	$ 20,514,611
Debt Service Fund											
Beginning Fund Balance	3,718,395.28	$ 4,962,359	$ 5,789,338	$ 6,703,212	$ 7,711,996	$ 8,879,151	$ 10,654,068	$ 12,428,754	$ 14,200,652	$ 15,972,301	$ 17,820,379
TIF Revenues	$ 3,322,094	$ 3,544,016	$ 3,594,219	$ 3,653,079	$ 3,813,400	$ 4,418,450	$ 4,418,450	$ 4,418,450	$ 4,418,450	$ 4,418,450	$ 4,418,450
Total Resources	$ 7,040,489	$ 8,506,375	$ 9,383,557	$ 10,356,291	$ 11,525,396	$ 13,297,601	$ 15,072,518	$ 16,847,204	$ 18,619,102	$ 20,390,751	$ 22,238,829
Coverage Ratio	1.60	1.30	1.34	1.38	1.44	1.67	1.67	1.67	1.67	1.72	1.81
Ending Fund Balance	$ 4,962,359	$ 5,789,338	$ 6,703,212	$ 7,711,996	$ 8,879,151	$ 10,654,068	$ 12,428,754	$ 14,200,652	$ 15,972,301	$ 17,820,379	$ 19,804,159

Source: ECONorthwest. Revenue sharing begins in FY 2014 and the tax increment revenues to the District are stabilized in FY 2017: see line TIF Revenues

FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through FYE 2021, as shown above, are based on projections of the assessed value of development within the Area and the total tax rate that will apply in the Area. The assumptions include new development projects, as identified by the City of Sherwood, and growth rates, at a minimum of 3%, increasing in the later years of the projections.

Table 16 shows the projected incremental assessed value, projected tax rates that would produce tax increment revenues, and the annual tax increment revenues (not adjusted for under-collection, penalties, and interest). These projections of increment are the basis for the projections in Table 15. These projections include shared revenue with impacted taxing jurisdictions.

Table 16 - Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues and Revenue Sharing

FYE	Total AV	Frozen Base	Increment	Tax Rate	TIF	TIF for URA	TIF Shared
2012	$290,643,763	$115,340,003	$175,303,760	18.9505	$3,322,094	$3,322,094	$0
2013	$302,354,391	$115,340,003	$187,014,388	18.9505	$3,544,016	$3,544,016	$0
2014	$314,416,292	$115,340,003	$199,076,289	18.9505	$3,772,595	$3,594,219	$178,376
2015	$326,840,185	$115,340,003	$211,500,182	18.9505	$4,008,034	$3,653,079	$354,955
2016	$360,680,214	$115,340,003	$245,340,211	18.9505	$4,649,320	$3,813,400	$835,920
2017	$395,027,844	$115,340,003	$279,687,841	18.9505	$5,300,224	$4,418,450	$881,774
2018	$414,605,993	$115,340,003	$299,265,990	18.9505	$5,671,240	$4,418,450	$1,252,790
2019	$431,364,888	$115,340,003	$316,024,885	18.9505	$5,988,830	$4,418,450	$1,570,380
2020	$448,430,232	$115,340,003	$333,090,229	18.9505	$6,312,226	$4,418,450	$1,893,776
2021	$466,084,014	$115,340,003	$350,744,011	18.9505	$6,646,774	$4,418,450	$2,228,324
2022	$476,606,334	$115,340,003	$361,266,331	18.9505	$6,846,178	$4,418,450	$2,427,728

Source: ECONorthwest

IMPACT OF THE TAX INCREMENT FINANCING

This section describes the impact of tax increment financing of the new maximum indebtedness, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the urban renewal area.

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies and local option levies as applied to the growth in assessed value in the Area. These projections are for impacts estimated through FYE 2021.

Note that, starting in FY 2014, there is a positive benefit to the taxing jurisdictions as a result of the increased maximum indebtedness. Updating the plan to increase the maximum indebtedness forces the plan to comply with the updated revenue sharing trigger, which comes into effect in FY 2014. The negative numbers, which begin in 2019, show the impact due to the need to extend the length of the Area as a result of the increase in maximum indebtedness. The Area is projected to meet the 10 percent of initial maximum indebtedness trigger stated in the statutes in FY 2014 (10% of $35,347,600 is $3,534,760). At that 10% limit, the affected taxing jurisdictions will begin receiving a portion of the increased value within the Area. The Area is projected to meet the 12.5% of the initial maximum indebtedness trigger in FY 2016, at which time the tax increment revenues to the Agency from the Area are held stable at that number, $4,418,450, and the impacted taxing jurisdictions receive a proportionate share of the increase in tax increment revenues for the remaining life of the district.

The impacts tables do not reflect the impacts of bonds on the taxing jurisdictions as those impacts are made up by slightly increased bond rates in the locality.

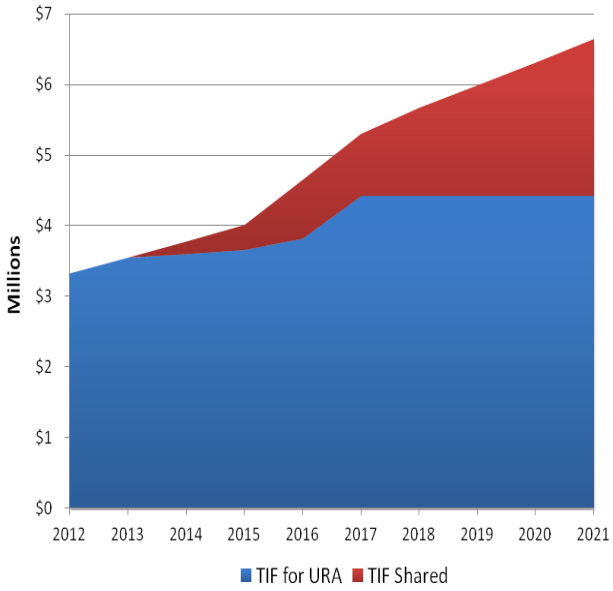
These revenue sharing requirements only minimally impact the length of time the district will be in operation. An analysis of the tax increment revenues without revenue sharing indicated the Area would be able to defease the debt one year later with revenue sharing as without.

Table 17 - Projected Impact on Taxing District Permanent Rate Levies for New Maximum Indebtedness

Jurisdiction Name	2014	2015	2016	2017	2018	2019	2020	2021	Total
Washington County	$26,717	$53,165	$125,204	$132,072	$187,643	($661,794)	($661,794)	($661,794)	($1,460,582)
Metro	$909	$1,809	$4,261	$4,495	$6,386	($22,523)	($22,523)	($22,523)	($49,708)
Port of Portland	$660	$1,313	$3,092	$3,262	$4,634	($16,344)	($16,344)	($16,344)	($36,072)
Portland Community College	$2,662	$5,297	$12,475	$13,159	$18,696	($65,937)	($65,937)	($65,937)	($145,523)
Northwest ESD	$1,448	$2,881	$6,784	$7,156	$10,167	($35,860)	($35,860)	($35,860)	($79,142)
Sherwood School District	$45,297	$90,138	$212,274	$223,918	$318,134	($1,122,023)	($1,122,023)	($1,122,023)	($2,476,310)
Tualatin Valley Fire and Rescue	$16,710	$33,251	$78,305	$82,601	$117,356	($413,901)	($413,901)	($413,901)	($913,481)
City of Sherwood	$31,039	$61,764	$145,455	$153,434	$217,993	($768,837)	($768,837)	($768,837)	($1,696,825)
Total	**$125,441**	**$249,618**	**$587,850**	**$620,096**	**$881,009**	**($3,107,219)**	**($3,107,219)**	**($3,107,219)**	**($6,857,643)**

Source: ECONorthwest

Figure 3 – Tax Increment Financing Revenue Sharing



The graph to the left, prepared by ECONorthwest, shows the revenue sharing as a result of this amendment to increase maximum indebtedness.

The Sherwood School District and the Education Service District are not directly affected by the tax increment financing, but the amount of their taxes divided for the urban renewal plan is shown in the chart. Under current school funding law, property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone because of the use of Tax Increment Financing are replaced, as determined by a funding formula at the State level with State School Fund revenues.

Table 18 shows the projected increased revenue to the taxing jurisdictions at the end of the Urban Renewal Area. These projections are for FYE 2022. They include permanent rates, local option levies, and bonds.

Table 18 - Additional Revenues Obtained After Termination of Tax Increment Financing

Jurisdiction Name	FYE 2022
Washington County	$1,025,418
Metro	$34,898
Port of Portland	$25,325
Portland Community College	$102,166
Northwest ESD	$55,563
Sherwood School District	$1,738,522
Tualatin Valley Fire and Rescue	$641,320
City of Sherwood	$1,191,276
Total	**$4,418,450**

Source: ECONorthwest

COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA

There is one existing urban renewal area in the City of Sherwood. State law limits the percentage of both a municipality's total assessed value and the total land area that can be contained in an urban renewal area at the time of its establishment to 25% for municipalities under 50,000 in population. As noted below, the frozen base, including all real, personal, personal manufactured, and utility properties in the Urban Renewal Area, is $102,540,480. The total assessed value of the City of Sherwood less excess value of the urban renewal area is $1,343,036,419. This is 11.54% of the total assessed value, well below the 25% maximum. The Urban Renewal Area has 595.84 acres, including right of way, and the City of Sherwood has 2,745 acres; therefore 21.71% of the City's acreage is in an urban renewal area, below the 25% state limit.

Table 19 - Urban Renewal Area Conformance with Assessed Value and Area Limits

Urban Renewal Area	Assessed Value	Acres
Sherwood Urban Renewal Area Frozen Base	$102,540,480	
Sherwood Urban Renewal Area Acreage		595.84
Total Acreage, City of Sherwood		2,745
Total Assessed Value City of Sherwood *	$1,343,036,419	
Percent of Sherwood Assessed Value in Urban Renewal Area		11.54%
Percent of Sherwood Acreage in Urban Renewal		21.71%

Source: City of Sherwood, Washington County Assessor
*Less Incremental Assessed Value in Urban Renewal Areas

RELOCATION REPORT

There is no relocation anticipated due to this amendment.

City of Sherwood Oregon

Home of the Tualatin River National Wildlife Refuge

URA RESOLUTION 2012-001

A RESOLUTION RECOMMENDING A SUBSTANTIAL AMENDMENT TO THE URBAN RENEWAL PLAN TO INCREASE MAXIMUM INDEBTEDNESS

WHEREAS, ORS 457.220 was amended in 2009 to allow an urban renewal agency to amend the urban renewal plan (URP) to include an indexing factor for maximum indebtedness; and

WHEREAS, additional Maximum Indebtedness is needed to complete priority project within the Urban Renewal District; and

WHEREAS, the Sherwood Urban Renewal Agency (URA) wishes to amend the Sherwood Urban Renewal Plan to include the allowed indexing factor; and

WHEREAS, increasing maximum indebtedness requires a substantial amendment to the Urban Renewal Plan; and

WHEREAS, SURPAC (Sherwood Urban Renewal Plan Advisory Committee) met August 11, 2011 and recommended an increase in maximum indebtedness to finance priority projects remaining in the plan; and

WHEREAS, the URA authorized the Agency Administrator to negotiate a single source contract with Elaine Howard Consulting, LLC on November 1, 2011; and

WHEREAS, Elaine Howard Consulting, LLC has prepared the necessary documents to amend the Plan; and

WHEREAS, overlapping taxing jurisdictions have been notified as required by ORS 457

NOW, THEREFORE, THE SHERWOOD URBAN RENEWAL AGENCY BOARD OF DIRECTORS RESOLVES AS FOLLOWS:

Section 1: The substantial amendment prepared by Elaine Howard Consulting, LLC. be forwarded to the Sherwood Planning Commission for concurrence with the City's Comprehensive Plan.

Section 2: The Sherwood Urban Renewal Agency recommends adoption of an ordinance for the substantial amendment to the Sherwood City Council at its meeting on February 21, 2012.

Section 3: This Resolution shall be in effect upon its approval and adoption.

Duly passed by the Board of Directors for the Sherwood Urban Renewal Agency this 17th day of January 2012.

_____
Keith S. Mays, Chair

Attest:

_____
Sylvia Murphy, CMC, District Recorder